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**TITLE 511 INDIANA STATE BOARD OF EDUCATION**

**Proposed Rule**  
LSA Document #11-771

**DIGEST**

Adds [511 IAC 7-48](#) to explain and implement minimum expenditure requirements for provision of special education and related services for students with disabilities who are placed by parents in nonpublic schools as required by [IC 20-43-7-9](#). Effective 30 days after filing with the Publisher.

[IC 4-22-2.1-5 Statement Concerning Rules Affecting Small Businesses](#)

**[511 IAC 7-48](#)**

SECTION 1. [511 IAC 7-48](#) IS ADDED TO READ AS FOLLOWS:

**Rule 48. Minimum Expenditure Requirements**

**[511 IAC 7-48-1](#) Applicability**

Authority: [IC 20-43-7-9](#)

Affected: [IC 20-43-1-23](#); [IC 20-43-7](#)

Sec. 1. (a) This rule applies to school corporations as defined in [IC 20-43-1-23\(a\)](#).

(b) This rule does not apply to charter schools.

(Indiana State Board of Education; [511 IAC 7-48-1](#))

**[511 IAC 7-48-2](#) Definitions**

Authority: [IC 20-43-7-9](#)

Affected: [IC 20-19-3-1](#); [IC 20-43-1-18.5](#); [IC 20-43-7-1](#)

Sec. 2. The following definitions apply throughout this rule:

(1) "Child count" means the number of eligible pupils enrolled in special education programs on December 1 under [IC 20-43-7-1](#).

(2) "Department" means the department of education established by [IC 20-19-3-1](#).

(3) "Parentally-placed nonpublic school students with disabilities" has the meaning set forth in [IC 20-43-1-18.5](#).

(4) "Related services" has the meaning set forth in [511 IAC 7-32-79](#).

(5) "Special education" has the meaning set forth in [511 IAC 7-32-86](#).

(6) "State special education grant" means the amount of state funds a school corporation receives under [IC 20-43-7](#).

(Indiana State Board of Education; [511 IAC 7-48-2](#))

**[511 IAC 7-48-3](#) Expenditure requirements**

Authority: [IC 20-43-7-9](#)

Affected: [IC 20-43-1-8.5](#); [IC 20-43-7-9](#)

Sec. 3. (a) The amount of the state special education grant that the school corporation must expend on services to the group of parentally-placed nonpublic school students with disabilities during a calendar year shall be based on the child count of parentally-placed nonpublic school students with disabilities reported on December 1 immediately preceding that calendar year.

(b) Beginning in calendar year 2012 and no later than December 31, the school corporation must, at a minimum and exclusive of federal special education funds, expend the amount determined in subsection (a) on special education and related services to parentally-placed nonpublic school students with disabilities under this article.

(c) The school corporation may expend state special education grant funds on behalf of parentally-placed nonpublic school students with disabilities to provide the following:

- (1) Child find activities as defined in [IC 20-43-1-8.5](#) and [511 IAC 7-40](#), including evaluations, reevaluations, and independent educational evaluations.
- (2) Special education.
- (3) Related services.

(d) By December 31 of each calendar year, the department shall establish and publish the following:

(1) Procedures and forms for school corporations to report the amount of state special education grant funds generated by and expended on services to parentally-placed nonpublic school students with disabilities.

(2) Procedures to be utilized by the department in monitoring a school corporation's compliance with this rule, including the consequences for a school corporation's failure to comply with any of the following:

- (A) [IC 20-43-7-9](#).
  - (B) This rule.
  - (C) Procedures established under this rule.
- (3) Procedures for a school corporation to appeal a finding of noncompliance.

(e) Beginning with calendar year 2012, the school corporation shall comply with the reporting requirements established by the department, and the department shall monitor the school corporation's compliance with such requirements.

(f) The department shall monitor the school corporation's actual expenditures under this rule in the calendar year immediately following the calendar year in which the expenditures were required.

(g) The department shall notify the school corporation in writing of any noncompliance. The written notice shall include the following:

- (1) The nature of the noncompliance.
- (2) The corrective action the school corporation must take.
- (3) The deadline for the corrective action to be implemented.
- (4) The consequences for failing to take the corrective action by the established deadline.
- (5) The process to appeal the department's findings.

(Indiana State Board of Education; [511 IAC 7-48-3](#))

#### [Notice of Public Hearing](#)

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